

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET
SACRAMENTO, CA 95814-5512



March 23, 2012

Steve Berberich
California Independent System Operator
President and Chief Executive Officer
P.O. Box 639014
Folsom, CA 95763-9014

Re: Base Case and Alternative Scenarios for CAISO 2012-2013 Transmission Plan

Dear Mr. Berberich:

On March 12, 2012, the California Public Utilities Commission and California Energy Commission's sent a letter formally transmitting our recommended scenarios for the CAISO's 2012-2013 Transmission Planning Process in fulfillment of our ongoing commitment under the May 2010 Memorandum of Understanding to ensure a coordinated planning processes.

Staff has discovered that a model update relating to generation costs was not reflected in the portfolios as originally released. Staff has corrected the omission and this letter formally transmits a revised version of the scenarios that reflect the generation cost update. We continue to identify the "cost-constrained" scenario as a reasonable base case for the CAISO to study in its 2012-2013 TPP, and still encourage the CAISO to study the "environmental-constrained" scenario, "commercial-constrained" scenario, and "high distributed generation" scenario.

We look forward to participating extensively in 2012-2013 Transmission Planning Process and to commenting further on policy concerns as the stakeholder process progresses. If you have any questions about the details of the scenarios, please contact Kevin Dudley at 415-703-2557 or kevin.dudney@cpuc.ca.gov or Roger Johnson at 916-654-5100 or rjohnson@energy.ca.gov.

Sincerely,

Handwritten signature of Michael R. Peevey in black ink.

Michael R. Peevey
President, CPUC

Handwritten signature of Robert B. Weisenmiller in black ink.

Robert B. Weisenmiller
Chair, CEC

A handwritten signature in black ink that reads "MP Florio". The letters are cursive and somewhat stylized.

Michel P. Florio
Commissioner, CPUC

Cc. Mark Ferron, Commissioner CPUC
Paul Clanon, CPUC Executive Director
Edward Randolph, CPUC Energy Division Director
Keith Casey, CAISO VP for Market and Infrastructure Development
Karen Edson, CAISO VP for Policy and Client Services
Robert Oglesby, Energy Commission Executive Director
Roger Johnson, Energy Commission's Siting, Transmission, and
Environmental Protection Division Deputy Director

Attachment 1 - Summary by CREZ

Scenario Name	Cost	Environment	Commercial Interest	High DG*
Net Short (GWh in 2022)	45,248	45,248	45,248	45,248
Discounted Core	6	6	6	6
Weight on Cost Score	0.7	0.1	0.1	0.7
Weight on Environmental Score	0.1	0.7	0.1	0.1
Weight on Commercial Interest Score	0.1	0.1	0.7	0.1
Weight on Permitting Score	0.1	0.1	0.1	0.1
Portfolio Totals (MW)				
Discounted Core	7,115	7,255	7,501	12,421
Commercial Non-Core	2,324	2,270	4,027	2,264
Generic	7,444	7,886	5,563	3,263
Total	16,883	17,411	17,091	17,948
Alberta	450	450	450	450
Arizona	550	550	550	550
Baja	-	-	100	-
Barstow	-	-	-	-
British Columbia	-	-	-	-
Carrizo North	-	-	-	-
Carrizo South	900	900	900	900
Colorado	-	-	-	-
Cuyama	-	-	-	-
Distributed Solar - PG&E	1,047	1,837	1,047	3,641
Distributed Solar - SCE	599	1,978	599	3,226
Distributed Solar - SDGE	405	426	405	490
Distributed Solar - Other	-	-	-	-
Fairmont	-	-	-	-
Imperial	1,125	1,125	1,519	1,036
Inyokern	-	-	-	-
Iron Mountain	-	-	-	-
Kramer	62	62	762	62
Lassen North	-	-	-	-
Lassen South	-	-	-	-
Montana	-	-	-	-
Mountain Pass	982	365	665	665
Nevada C	142	116	142	142
Nevada N	-	-	-	-
New Mexico	-	-	-	-
NonCREZ	6,856	5,160	4,661	3,221
Northwest	290	290	330	290
Owens Valley	-	-	-	-
Palm Springs	83	198	198	83
Pisgah	-	-	-	-
Remote DG (Brownfield) - PG&E	-	-	-	-
Remote DG (Brownfield) - SCE	-	-	-	-
Remote DG (Brownfield) - SDGE	-	-	-	-
Remote DG (Brownfield) - Other	-	-	-	-

Attachment 1 - Summary by CREZ

Remote DG (Greenfield) - PG&E	-	-	-	-
Remote DG (Greenfield) - SCE	-	-	-	-
Remote DG (Greenfield) - SDGE	-	-	-	-
Remote DG (Greenfield) - Other	-	-	-	-
Riverside East	950	705	1,400	950
Round Mountain	-	34	-	-
San Bernardino - Baker	-	-	-	-
San Bernardino - Lucerne	45	108	101	45
San Diego North Central	-	-	-	-
San Diego South	-	200	200	-
Santa Barbara	-	-	-	-
Solano	-	420	535	-
Tehachapi	2,327	2,417	2,457	2,127
Twentynine Palms	-	-	-	-
Utah-Southern Idaho	-	-	-	-
Victorville	-	-	-	-
Westlands	70	70	70	70
Wyoming	-	-	-	-
Total	16,883	17,411	17,091	17,948

*Note that the High DG case uses the discounted core to force in 5,307 MW of Small Solar PV resources, beyond the 2,266 MW that is included in the discounted core for the other cases.

Attachment 1 - Summary by Technology and Transmission

Scenario Name	Cost	Environment	Commercial Interest	High DG*
Net Short (GWh in 2022)	45,248	45,248	45,248	45,248
Discounted Core	6	6	6	6
Weight on Cost Score	0.7	0.1	0.1	0.7
Weight on Environmental Score	0.1	0.7	0.1	0.1
Weight on Commercial Interest Score	0.1	0.1	0.7	0.1
Weight on Permitting Score	0.1	0.1	0.1	0.1
Portfolio Totals (MW)				
Discounted Core	7,115	7,255	7,501	12,421
Commercial Non-Core	2,324	2,270	4,027	2,264
Generic	7,444	7,886	5,563	3,263
Total	16,883	17,411	17,091	17,948
Biogas	138	154	136	138
Biomass	119	281	119	119
Geothermal	922	535	607	833
Hydro	-	21	-	-
Large Scale Solar PV	9,771	6,235	6,903	6,399
Small Solar PV	2,266	4,916	2,537	7,572
Solar Thermal	827	827	1,899	827
Wind	2,840	4,442	4,890	2,060

New Transmission Segments

Kramer - 1**

*Note that the High DG case uses the discounted core to force in 5,307 MW of Small Solar PV resources, beyond the 2,266 MW that is included in the discounted core for the other cases.

**Note that the Kramer transmission segment is only needed in the Commercial Interest portfolio.